State to review implementation of the agreement and discuss plans for the first annual audit;

''(B) conduct annual audits during each of the first 4 years of State participation; and

''(C) ensure that the time period for completing an annual audit, from initiation to completion (including public comment and responses to those comments), does not exceed 180 days.

''(2) PUBLIC AVAILABILITY AND COMMENT.—

''(A) IN GENERAL.—An audit conducted under paragraph (1) shall be provided to the public for comment.

''(B) RESPONSE.—Not later than 60 days after the date on which the period for public comment ends, the head of the Federal agency shall respond to public comments received under subparagraph (A).

''(3) AUDIT TEAM.—

''(A) IN GENERAL.—An audit conducted under paragraph (1) shall be carried out by an audit team determined by the head of the Federal agency, in consultation with the State, in accordance with subparagraph (B).

''(B) CONSULTATION.—Consultation with the State under subparagraph (A) shall include a reasonable opportunity for the State to review and provide comments on the proposed members of the audit team.

''(i) MONITORING.—After the fourth year of the participation of a State in an agency program, the head of the Federal agency shall monitor compliance by the State with the written agreement, including the provision by the State of financial resources to carry out the written agreement.

''(j) REPORT TO CONGRESS.—The head of each Federal agency shall submit to Congress an annual report that describes the administration of the agency program.

''(k) TERMINATION.—

''(1) TERMINATION BY FEDERAL AGENCY.—The head of a Federal agency may terminate the participation of any State in the agency program of the Federal agency if—

''(A) the head of the Federal agency determines that the State is not adequately carrying out the responsibilities assigned to the State;

''(B) the head of the Federal agency provides to the State—

''(i) a notification of the determination of noncompliance;

''(ii) a period of not less than 120 days to take such corrective action as the head of the Federal agency determines to be necessary to comply with the applicable agreement; and

''(iii) on request of the Governor of the State, a detailed description of each responsibility in need of corrective action regarding an inadequacy identified under subparagraph (A); and

''(C) the State, after the notification and period provided under subparagraph (B), fails to take satisfactory corrective action, as determined by the head of the Federal agency.

''(2) TERMINATION BY THE STATE.—A State may terminate the participation of the State in an agency program at any time by providing to the head of the applicable Federal agency a notice by not later than the date that is 90 days before the date of termination, and subject to such terms and conditions as the head of the Federal agency may provide.

''(l) CAPACITY BUILDING.—The head of a Federal agency, in cooperation with representatives of State officials, may carry out education, training, peer-exchange, and other initiatives as appropriate—

''(1) to assist States in developing the capacity to participate in the agency program of the Federal agency; and

''(2) to promote information sharing and collaboration among States that are participating in the agency program of the Federal agency.

''(m) RELATIONSHIP TO LOCALLY ADMINISTERED PROJECTS.—A State granted authority under an agency program may, as appropriate and at the request of a local government—

''(1) exercise that authority on behalf of the local government for a locally administered project; or

''(2) provide guidance and training on consolidating and minimizing the documentation and environmental analyses necessary for sponsors of a locally administered project to comply with this title and any comparable requirements under State law.''.

(5) PROHIBITION ON GUIDANCE.—No Federal agency, including the Council on Environmental Quality, may reissue the final guidance of the Council on Environmental Quality entitled ''Final Guidance for Federal Departments and Agencies on Consideration of Greenhouse Gas Emissions and the Effects of Climate Change in National Environmental Policy Act Reviews'' (81 Fed. Reg. 51866 (August 5, 2016)) or substantially similar guidance unless authorized by an Act of Congress.

(6) DEFINITIONS.—Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) (as amended by paragraph (1)(A)) is amended by adding at the end the following:

''SEC. 109. DEFINITIONS.

''In this title:

''(1) ENVIRONMENTAL ASSESSMENT.—The term 'environmental assessment' has the meaning given the term in section 1508.9 of title 40, Code of Federal Regulations (or a successor regulation).

''(2) ENVIRONMENTAL IMPACT STATEMENT.—The term 'environmental impact statement' means a detailed statement required under section 102(2)(C).

''(3) NEPA PROCESS.—

''(A) IN GENERAL.—The term 'NEPA process' means the entirety of every process, analysis, or other measure, including an environmental impact statement, required to be carried out by a Federal agency under this title before the agency undertakes a proposed action.

''(B) PERIOD.—For purposes of subparagraph (A), the NEPA process—

''(i) begins on the date on which the head of a Federal agency receives an application for a proposed action from a project sponsor; and

''(ii) ends on the date on which the Federal agency issues, with respect to the proposed action—

''(I) a record of decision, including, if necessary, a revised record of decision;

''(II) a finding of no significant impact; or

''(III) a categorical exclusion under this title.

''(4) PROJECT SPONSOR.—The term 'project sponsor' means a Federal agency or other entity, including a private or public-private entity, that seeks approval of a proposed action.''.

(7) CONFORMING AMENDMENTS.—

(A) POLICY REVIEW.—Section 309 of the Clean Air Act (42 U.S.C. 7609) is repealed.

(B) SURFACE TRANSPORTATION PROJECT DELIVERY PROGRAM.—Section 327 of title 23, United States Code, is amended—

(i) in subsection (a)(1), by striking ''The Secretary'' and inserting ''Subject to subsection (m), the Secretary''; and

(ii) by adding at the end the following:

''(m) SUNSET.—

''(1) IN GENERAL.—Except as provided under paragraph (2), the authority provided by this section terminates on the date of enactment of this subsection.

''(2) EXISTING AGREEMENTS.—Subject to the requirements of this section, the Secretary may continue to enforce any agreement entered into under this section before the date of enactment of this subsection.''.

(b) ATTORNEY FEES IN ENVIRONMENTAL LITIGATION.—

(1) ADMINISTRATIVE PROCEDURE.—Section 504(b)(1) of title 5, United States Code, is amended—

(A) in subparagraph (E), by striking ''and'' at the end;

(B) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(G) 'special factor' does not include knowledge, expertise, or skill in environmental litigation.''.

(2) UNITED STATES AS PARTY.—Section 2412(d)(2) of title 28, United States Code, is amended—

(A) in subparagraph (H), by striking ''and'' at the end;

(B) in subparagraph (I), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(J) 'special factor' does not include knowledge, expertise, or skill in environmental litigation.''.

SA 2268. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2137 proposed by Mr. SCHUMER (for Ms. SINEMA (for herself, Mr. PORTMAN, Mr. MANCHIN, Mr. CASSIDY, Mrs. SHAHEEN, Ms. COLLINS, Mr. TESTER, Ms. MURKOWSKI, Mr. WARNER, and Mr. ROMNEY)) to the bill H.R. 3684, to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end of division G, add the following:

TITLE XII—PAYMENTS IN LIEU OF TAXES

SEC. 71201. SHORT TITLE.

This title may be cited as the ''Making Obligations Right by Enlarging Payments In Lieu of Taxes Act'' or the ''MORE PILT Act''.

SEC. 71202. FINDINGS; SENSE OF CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) Congress agreed with recommendations of a Federal commission that, if Federal land is to be retained by the Federal Government and not contribute to the tax bases of the units of general local government within the jurisdictions of which the land is located, compensation should be offered to those units of general local government to make up for the presence of nontaxable land within the jurisdictions of those units of general local government;

(2)(A) units of general local government rely on the stability of property tax revenues; and

(B) Federal programs that are subject to the annual appropriations process, such as the payment in lieu of taxes program, offer far less certainty than property taxes as a form of revenue for units of general local government;

(3) Federal agencies have determined that payments to units of general local government under the payment in lieu of taxes program are far lower than what would be due to units of general local government under tax equivalency;

(4) payments under the payment in lieu of taxes program help units of general local government carry out vital services, such as firefighting, police protection, public education, construction of public schools, construction of roads, and search-and-rescue operations; and

(5) the technology exists to more accurately approximate what the taxable value of

land held by the Federal Government would be if that land were taxable by units of general local government.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Federal Government should—

(1) determine the amount that payments under the payment in lieu of taxes program would be if those payments were equivalent to the tax revenues that units of general local government would otherwise receive for the same land; and

(2) compensate those units of general local government accordingly.

SEC. 71203. DEFINITIONS.

In this Act:

(1) ENTITLEMENT LAND.—The term ''entitlement land'' has the meaning given the term in section 6901 of title 31, United States Code.

(2) HIGHEST AND BEST USE.—

(A) IN GENERAL.—The term ''highest and best use'', with respect to a parcel of entitlement land, means the potential use described in subparagraph (B) that would result in the highest value of the land.

(B) POTENTIAL USES DESCRIBED.—A potential use referred to in subparagraph (A) is any use of a parcel of land that, in the absence of Federal ownership of the land, would be—

(i) physically possible;

(ii) reasonably probable;

(iii) legal;

(iv) appropriately supported; and

(v) financially feasible.

(3) MARKET VALUE.—The term ''market value'', with respect to a parcel of entitlement land, means the value that the land would have in a fair and open market—

(A) disregarding any limitation on economic development and any other development restriction due to Federal ownership of the land or any Federal designation; and

(B) calculated within an appropriate margin of error, as determined by the Secretary.

(4) PAYMENT IN LIEU OF TAXES PROGRAM.—The term ''payment in lieu of taxes program'' means the payment in lieu of taxes program established under chapter 69 of title 31, United States Code.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(6) TAX EQUIVALENT AMOUNT.—The term ''tax equivalent amount'', with respect to payments under the payment in lieu of taxes program, means the approximate amount of property tax revenues that would be generated for units of general local government with respect to entitlement land—

(A) if that land were—

(i) privately owned; and

(ii) subject to—

(I) local zoning laws (including regulations);

(II) local tax laws (including regulations); and

(III) any other relevant law, rule, or authority; and

(B) taking into account any maximum or minimum taxable value of land that is imposed by a State or unit of general local government.

(7) TOOL.—The term ''tool'' means the tool or combination of tools developed and maintained under section 71204(a)(1).

(8) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ''unit of general local government'' has the meaning given the term in section 6901 of title 31, United States Code.

SEC. 71204. MODELING TOOL, STUDY, AND REPORTS RELATING TO THE TAX EQUIVALENT AMOUNT OF PAYMENTS UNDER THE PAYMENT IN LIEU OF TAXES PROGRAM.

(a) MODELING TOOL.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture and the head of any other Federal agency that the Secretary determines to be appropriate, shall develop and maintain a market analysis tool, mass appraisal tool, or other appropriate modeling tool (or combination of tools), as determined to be appropriate by the Secretary, that—

(A) accounts for—

(i) reasonable and customary valuation factors; and

(ii) if, in the determination of the Secretary, data are inadequate to calculate a sufficiently precise estimate of the market value of the applicable parcel of entitlement land, assumptions of those factors; and

(B) calculates, in a timely manner—

(i) the approximate market value of entitlement land; and

(ii) the approximate tax equivalent amount of payments under the payment in lieu of taxes program for that land.

(2) REQUIREMENTS.—The tool shall—

(A) calculate, in a timely manner, the approximate market value of entitlement land;

(B) enable an employee or agent of the Department of the Interior to manually modify factors relating to the valuation model used by the tool to calculate, in a timely manner, the market value of entitlement land based on new assumptions relating to that land;

(C) to the maximum extent practicable, provide technical anchors relating to market data—

(i) to ensure the ongoing integrity of the tool; and

(ii) to ensure that the land values determined by the tool are defensible and based on sound and generally accepted valuation methodologies;

(D) to the maximum extent practicable, assimilate, in a visual interface—

(i) market data, including the availability of mineral extraction, energy production, water management, timber management, agricultural uses, and recreational uses with respect to the applicable land; and

(ii) geospatial data relating to all entitlement land;

(E) as frequently as practicable, automatically adjust to reflect current market conditions, as reflected in readily available market sources, as determined by the Secretary, in consultation with the Secretary of Agriculture;

(F) allow a user of the tool—

(i) to estimate the value of entitlement land as that land is currently used; and

(ii) to estimate changes in that value due to future uses under various scenarios under private ownership; and

(G) provide a variety of estimates of the value of any entitlement land for which there is no comparable non-Federal land from which to derive the information necessary to accurately calculate the market value of the entitlement land, including an estimate based on the highest and best use of the entitlement land if the entitlement land were privately owned.

(b) STUDY AND REPORTS.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, and annually thereafter for 4 years, the Secretary, in consultation with the Secretary of Agriculture and the head of any other Federal agency that the Secretary determines to be appropriate, shall—

(A) conduct a study—

(i) to evaluate all entitlement land;

(ii) to determine, to the maximum extent practicable, the market value of that land; and

(iii) to determine, to the maximum extent practicable, the tax equivalent amount of payments under the payment in lieu of taxes program for that land; and

(B) submit to Congress and make publicly available a report describing—

(i) the results of the study conducted under subparagraph (A); and

(ii) how payments under the payment in lieu of taxes program could more accurately reflect the tax equivalent amount.

(2) REQUIREMENT.—In conducting the study under paragraph (1)(A), the Secretary shall consider any studies conducted by States, counties, or other taxing jurisdictions pertaining to the tax equivalent amount of payments under the payment in lieu of taxes program.

(3) PRELIMINARY REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture and the head of any other Federal agency that the Secretary determines to be appropriate, shall submit to Congress a report that—

(A) describes the progress of the Secretary in—

(i) developing the tool; and

(ii) conducting the study under paragraph (1)(A);

(B) contains an assessment of the accuracy with which the Secretary will be able to determine—

(i) the market value of entitlement land; and

(ii) the tax equivalent amount of payments under the payment in lieu of taxes program for that land;

(C) describes the models and data that the Secretary has developed or collected, or intends to develop or collect, as applicable, and plans to use in determining—

(i) the market value of entitlement land; and

(ii) the tax equivalent amount of payments under the payment in lieu of taxes program for that land; and

(D) includes any other information that, in the determination of the Secretary, is relevant to—

(i) the efficacy of the tool;

(ii) the determination of—

(I) the market value of entitlement land; or

(II) the tax equivalent amount of payments under the payment in lieu of taxes program for that land; or

(iii) the effects of providing payments under the payment in lieu of taxes program that more accurately reflect the tax equivalent amount.

(c) CONTRACTS AND CONSULTANTS.—The Secretary may contract or consult with any public or private entity to analyze data, conduct research, or develop a model that would contribute to the reports under subsection (b) or the tool.

(d) DATA COLLECTION AND REPORTING.—

(1) IN GENERAL.—The Secretary may develop reporting methods to allow units of general local government to self-report, not more frequently than annually, data, including, as the Secretary determines to be necessary—

(A) property tax values of land;

(B) zoning restrictions; and

(C) mill levies.

(2) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to units of general local government with respect to the reporting of information under paragraph (1).

(e) AVAILABILITY OF INFORMATION.—

(1) REQUEST FOR INFORMATION.—Any individual or entity may submit to the Secretary a request for information relating to the method used by the Secretary to determine—

(A) the market value of entitlement land; or

(B) the tax equivalent amount of payments under the payment in lieu of taxes program for that land.

(2) INFORMATION PROVIDED.—The Secretary shall provide to each individual or entity that submits a request for information under paragraph (1)—

(A) any data and models used by the Secretary to determine, as applicable—

(i) the market value of any entitlement land for which a unit of general local government receives payments under the payment in lieu of taxes program; or

(ii) the tax equivalent amount of payments under the payment in lieu of taxes program for that land; and

(B) a description of how the data and models described in subparagraph (A) are used to make the determinations described in that subparagraph.

(3) RESPONSE DEADLINE FOR CERTAIN REQUESTS.—Not later than 30 days after receiving a request under paragraph (1) from a unit of general local government pertaining to entitlement land for which the unit of general local government receives payments under the payment in lieu of taxes program, the Secretary shall provide to that unit of general local government the information described in paragraph (2) with respect to that land.

(f) FUNDING.—Section 200306 of title 54, United States Code, is amended by adding at the end the following:

''(e) TAX EQUIVALENCY OF PILT PAYMENTS MODELING TOOL, STUDY, AND REPORT.—For each of the first 6 fiscal years beginning after the date of enactment of the MORE PILT Act, there shall be made available to the Secretary, out of amounts made available for expenditure under section 200303, $9,000,000 to carry out that Act.''.

SA 2269. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2137 proposed by Mr. SCHUMER (for Ms. SINEMA (for herself, Mr. PORTMAN, Mr. MANCHIN, Mr. CASSIDY, Mrs. SHAHEEN, Ms. COLLINS, Mr. TESTER, Ms. MURKOWSKI, Mr. WARNER, and Mr. ROMNEY)) to the bill H.R. 3684, to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DIVISION _____—DRONE INTEGRATION AND ZONING

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Drone Integration and Zoning Act''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Federal Aviation Administration.

(2) CIVIL.—The term ''civil'', with respect to an unmanned aircraft system, means that the unmanned aircraft is not a public aircraft (as defined in section 40102 of title 49, United States Code).

(3) COMMERCIAL OPERATOR.—The term ''commercial operator'' means a person who operates a civil unmanned aircraft system for commercial purposes.

(4) IMMEDIATE REACHES OF AIRSPACE.—The term ''immediate reaches of airspace'' means, with respect to the operation of a civil unmanned aircraft system, any area within 200 feet above ground level.

(5) INDIAN TRIBE.—The term ''Indian Tribe'' has the meaning given that term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(6) LOCAL GOVERNMENT.—The term ''local'', with respect to a government, means the government of a subdivision of a State.

(7) STATE.—The term ''State'' means each of the 50 States, the District of Columbia, and the territories and possessions of the United States.

(8) TRIBAL GOVERNMENT.—The term ''Tribal'', with respect to a government, means the governing body of an Indian Tribe.

(9) UNMANNED AIRCRAFT; UNMANNED AIRCRAFT SYSTEM.—The terms ''unmanned aircraft'' and ''unmanned aircraft system'' have the meanings given those terms in section 331 of the FAA Modernization and Reform Act of 2012 (Public Law 112–95; 49 U.S.C. 40101 note).

(10) UNMANNED AIRCRAFT TAKE-OFF AND LANDING ZONE.—The term ''unmanned aircraft take-off and landing zone'' means a structure, area of land or water, or other designation for use or intended to be used for the take-off or landing of civil unmanned aircraft systems operated by a commercial operator.

SEC. 3. FEDERAL AVIATION ADMINISTRATION UPDATES TO NAVIGABLE AIRSPACE.

(a) DEFINITION.—Paragraph (32) of section 40102 of title 49, United States Code, is amended by adding at the end the following new sentence: ''In applying such term to the regulation of civil unmanned aircraft systems, such term shall not include the area within the immediate reaches of airspace (as defined in section 2 of Drone Integration and Zoning Act).''.

(b) RULEMAKING.—

(1) IN GENERAL.—The Administrator shall conduct a rulemaking proceeding to update the definition of ''navigable airspace''.

(2) CONSULTATION.—In conducting the rulemaking proceeding under paragraph (1), the Administrator shall consult with appropriate State, local, or Tribal officials.

(c) DESIGNATION REQUIREMENT.—In conducting the rulemaking proceeding under subsection (b), the Administrator shall designate the area between 200 feet and 400 feet above ground level—

(1) for use of civil unmanned aircraft systems under the exclusive authority of the Administrator; and

(2) for use by both commercial operators or hobbyists and recreational unmanned aircraft systems, under rules established by the Administrator.

(d) FINAL RULE.—Not later than 1 year after the date of enactment of this Act, the Administrator shall issue a final rule pursuant to the rulemaking conducted under subsection (b).

(e) RULES OF CONSTRUCTION.—Nothing in this section may be construed to—

(1) prohibit the Administrator from promulgating regulations related to the operation of unmanned aircraft systems at more than 400 feet above ground level; or

(2) diminish or expand the preemptive effect of the authority of the Federal Aviation Administration with respect to manned aviation.

SEC. 4. PRESERVATION OF STATE, LOCAL, AND TRIBAL AUTHORITIES WITH RESPECT TO CIVIL UNMANNED AIRCRAFT SYSTEMS.

(a) FINDINGS; SENSE OF CONGRESS.—

(1) FINDINGS.—Congress finds the following:

(A) Using its constitutional authority to regulate commerce among the States, Congress granted the Federal Government authority over all of the navigable airspace in the United States in order to foster air commerce.

(B) While the regulation of the navigable airspace is within the Federal Government's domain, the Supreme Court recognized in United States v. Causby, 328 U.S. 256 (1946), that the Federal Government's regulatory authority is limited by the property rights possessed by landowners over the exclusive control of the immediate reaches of their airspace.

(C) As a sovereign government, a State possesses police powers, which include the power to protect the property rights of its citizens.

(D) The proliferation of low-altitude operations of unmanned aircraft systems has created a conflict between the responsibility of the Federal Government to regulate the navigable airspace and the inherent sovereign police power possessed by the States to protect the property rights of their citizens.

(2) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) in order for landowners to have full enjoyment and use of their land, they must have exclusive control of the immediate reaches of airspace over their property;

(B) the States possess sovereign police powers, which include the power to regulate land use, protect property rights, and exercise zoning authority; and

(C) the Federal Government lacks the authority to intrude upon a State's sovereign right to issue reasonable time, manner, and place restrictions on the operation of unmanned aircraft systems operating within the immediate reaches of airspace.

(b) REQUIREMENTS RELATED TO REGULATIONS AND STANDARDS.—

(1) IN GENERAL.—In prescribing regulations or standards related to civil unmanned aircraft systems, the following shall apply:

(A) The Administrator shall not authorize the operation of a civil unmanned aircraft in the immediate reaches of airspace above property without permission of the property owner.

(B) Subject to paragraph (2), in the case of a structure that exceeds 200 feet above ground level, the Administrator shall not authorize the operation of a civil unmanned aircraft—

(i) within 50 feet of the top of such structure; or

(ii) within 200 feet laterally of such structure or inside the property line of such structure's owner, whichever is closer to such structure.

(C) The Administrator shall not authorize the physical contact of a civil unmanned aircraft, including such aircraft's take-off or landing, with a structure that exceeds 200 feet above ground level without permission of the structure's owner.

(D) The Administrator shall ensure that the authority of a State, local, or Tribal government to issue reasonable restrictions on the time, manner, and place of operation of a civil unmanned aircraft system that is operated below 200 feet above ground level is not preempted.